

E-HRM: CONCEPTUAL IMPLICATIONS

P. SUCHITRA

Professor and Principal, Dr. K. V. Subba Reddy Institute of MCA, Kurnool, Andhra Pradesh, India

ABSTRACT

HRM Technology can improve management of HRM and also contribute to the organizations competitive advantage the benefits of technology usage outshines the benefits of engaging in traditional. Technology has increased and access made readily available of HRM informational improved communication, improved the speed and which HRM transactions and information's are gathered and reduced cost making it easier to administer HRM functions. This article reviews current empirical work on electronic Human Resource Management (e-HRM) and discusses some implications for future research. Based on a definition and an initial framework the review analyzes the used theories, the employed empirical methods, the chosen levels of analysis, the examined topics, and the revealed findings. The review reveals an initial body of work from several disciplines that is mainly non-theoretical, employs diverse empirical methods, and refers to several levels of analysis and to diverse focal topics of e-HRMM. Based on the review some initial theoretical, methodical, and topical implications are discussed in order to support a future research program in e-HRMM.

KEYWORDS: Electronic HRM, e-HRM, Virtual HRM, Web-Based HRM, Internet, Human Resource Information System

INTRODUCTION

The rapid development of the Internet during the last decade has also boosted the implementation and application of electronic Human Resource Management (e-HRM). When HRM Departments make use of the Internet and related technologies to support their activities, the process becomes e-HRM (where e stands for electronic). e-HRM is the complete integration of all HRM system and processes based on common HRM data and information and on interdependent tools and processes. Fully developed e-HRM could provide the data gathering tools, analysis capabilities, and decision support resources for HRM professionals to hire, pay, promote, terminate, assign, develop, appraise and reward employees in ways that fully engage them in managing their own outcomes maximize the contribution of each employee and support execution of firm's strategy¹. Use of internet enables companies to search for talent cutting across time and distance constraints. Recruiting can include online job postings, applications and candidates screening from the company's website or the website of recruiting firms, such as monster.com, naukri.com and clickjobs.com. employees from geographic locations can all receive the same training over the company's computer network.²

Surveys of HRM consultants suggest that both the number of organizations adopting e-HRMM and the depth of applications within the organizations are continually increasing Cedar Crestone (2005)³. In addition, an escalating number of practitioner reports provide anecdotal evidence that e-HRMM is becoming increasingly common and may lead to remarkable changes. Consequently, academic interest in e-HRMM has increased, as several special issues of HRM-related journals demonstrate (Stanton & Coovert, 2004; Townsend & Bennett, 2003; Viswesvaran, 2003)⁴. In the interim, there is an initial body of empirical research in e-HRMM. However, since this research stems from several disciplines and is scattered HRM oughout numerous journals and since initial reviews are not encompassing

(Anderson, 2003; Lievens & Harris 2003; Welsh, Wanberg, Brown, & Simmering, 2003)⁵, the results of these studies remain unclear at present. The purpose of this paper is therefore to provide a review of this literature and to identify implications for future research that can enhance the understanding of e-HRMM.

Definition

Even though the e-HRM concept is widely used today, there are hardly any explicit definitions. The few detectable definitions (Lengnick-Hall & Moritz, 2003; Ruël, Bondarouk, & Looise, 2004)⁶ are rather general and emphasize the Internet-supported way of performing HRM policies and/or activities.

Leaning on these intensions, the following definition of e-HRM can be specified:

e-HRM is the (planning, implementation and) application of information technology for both networking and supporting at least two individual or collective actors in their shared performing of HRM activities. This concept highlights several crucial aspects of e-HRM. At the outset, e-HRM utilizes information technology in a twofold manner:

First, technology is necessary to connect usually spatially segregated actors and enable interactions between them irrespective of their working in the same room or on different continents, i.e. technology serves as a medium with the aim of connection and integration.

Second, technology supports actors by partially – and sometimes even completely – substituting for them in executing HRM activities. Hence, information technology serves additionally as a tool for task fulfillment. The planning aspect accentuates the systematic and anticipated way of applying information technology. The shared performing of tasks HRMough at least two actors' points out that the sharing of HRM activities is an additional feature and underlines the aspect of interaction and networking. The consideration of individual and collective actors takes into account that e-HRM is a multilevel phenomenon; besides individual actors, there are collective actors like groups, organizational units and even whole organizations that interact in order to perform HRM activities.

Beside e-HRM (M), there are some further concepts which obviously refer to the same phenomenon. Widely accepted are such terms as virtual HRM (Lepak & Snell, 1998)⁷, web-based HRM (Ruël et al., 2004)⁸, or business-to employee ("B2E") (Huang, Jin, & Yang, 2004)⁹. "Virtual HRM" refers to technological mediated networks of different internal and external actors providing the firm with the HRM services needed without the further existence of a conventional HRM department which therefore becomes "virtual". e-HRM is additionally open to less developed varieties of technology application, e.g. the shared performing of an application process by a conventional HRM department and an applicant via the Internet. "Web-based HRM" couples the concept to Internet technologies. e-HRM, as well, is particularly web-orientated, but also comprises additional technologies like networked ERP-Systems.

Finally, "business-to-employee" reduces the concept to the internal actor categories of "business" (presumably line managers and HRM professionals) and "employees". In contrast, e-HRM is open to further relevant actor categories like applicants or consultants. To sum up, these further terms undoubtedly direct attention to main characteristics of the same phenomenon but are of somewhat narrower intensions. Thus, in order to comprehensively embrace relevant aspects, the e-HRM term is used.

Framework for e-HRM

In short, the framework distinguishes between context, configuration and consequences of e-HRM, proposing that the configuration will determine the consequences of e-HRM, while both configuration and consequences may be preceded and moderated by contextual factors. In addition, the framework assumes multiple relations within and between context, configuration and consequences as well as between macro- and micro-level. Thus, the existence, kind, direction, etc. of such relationships should clearly be subject to research

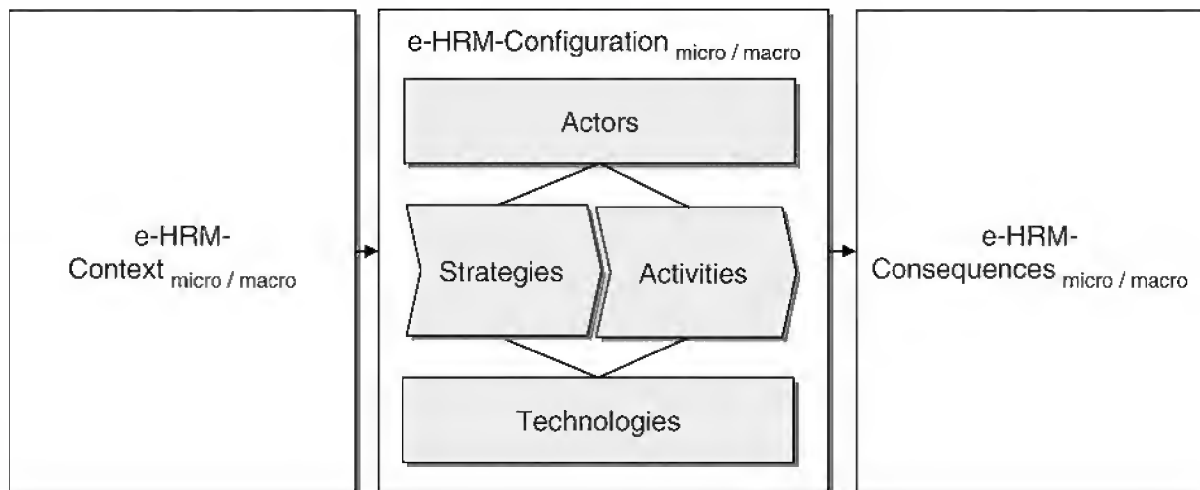


Figure 1: e-HRM Configuration

Types of e-HRM

The current e-HRMM literature distinguishes three types of e-HRM:

- Operational e-HRM,
- Relational e-HRM and
- Transformational e-HRM.

These distinctions are based upon the work of Lepak and Snell (1998)¹⁰ who distinguished operational HRM, relational HRM and transformational HRM, and of Wright and Dyer (2000)¹¹ Within all the types of HRM, choices have to be made in terms of which HRM activities which will be offered face-to-face, and which will be offered through web-based HRM (i.e. e-enabled). For the operational type of HRM, this issue amounts to a choice between asking employees to update their own personal data through an HRM web site or to have an administrative force in place to do this for them. In terms of relational HRM, there is a choice between supporting recruitment and selection through a web-based application or using a paper-based approach (through advertisements, paper-based application forms and letters etc.). Finally, in terms of transformational HRM, it is possible to create a change-ready workforce through an integrated set of web-based tools that enables the workforce to develop in line with the company's strategic choices, or to use paper-based materials.

The literature on e-HRM suggests that, overall, the three goals of e-HRM are cost reduction, improving HRM services, and improving strategic orientation (Brockbank, 1997¹²; Lepak and Snell, 1998¹³; Rue'l et al., 2004¹⁴; Stanton and Coovert, 2004¹⁵)

Implications for Research

To address the challenges of e-HRM, empirical research should identify the key research topics, produce viable theoretical perspectives to frame these topics, collect meaningful data, and transfer the findings into useful recommendations for practitioners (Stanton & Coover, 2004)⁴. Finally, the organizational context constitutes the most promising contextual subset, referring to both the macro- and micro-context. Again only occasionally addressed, it seems to offer a rich reservoir of factors that may influence certain e-HRM configurations and consequences. Besides general organizational features like size, organizational culture, computer orientation, etc. first findings indicate that especially the narrow HRMM context seems to be of relevance. Hence, a systematic investigation of HRM strategies and policies, tasks, or status may constitute a further fruitful contribution in understanding e-HRM.

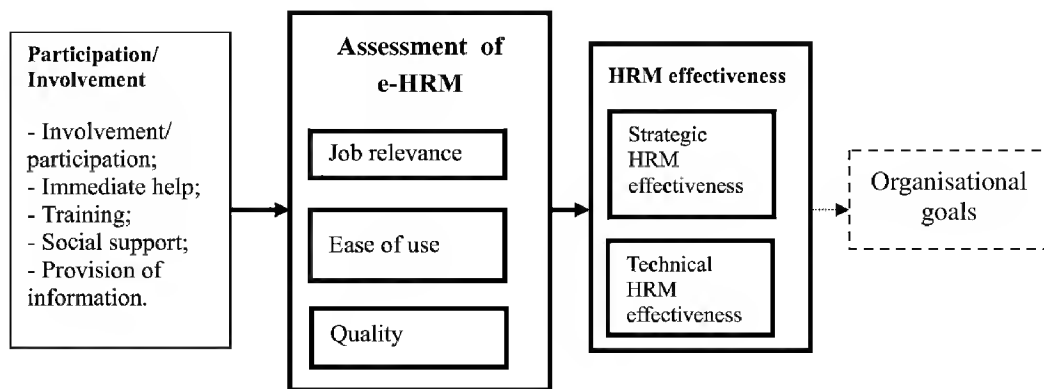


Figure 2: Assessment of e-HRM

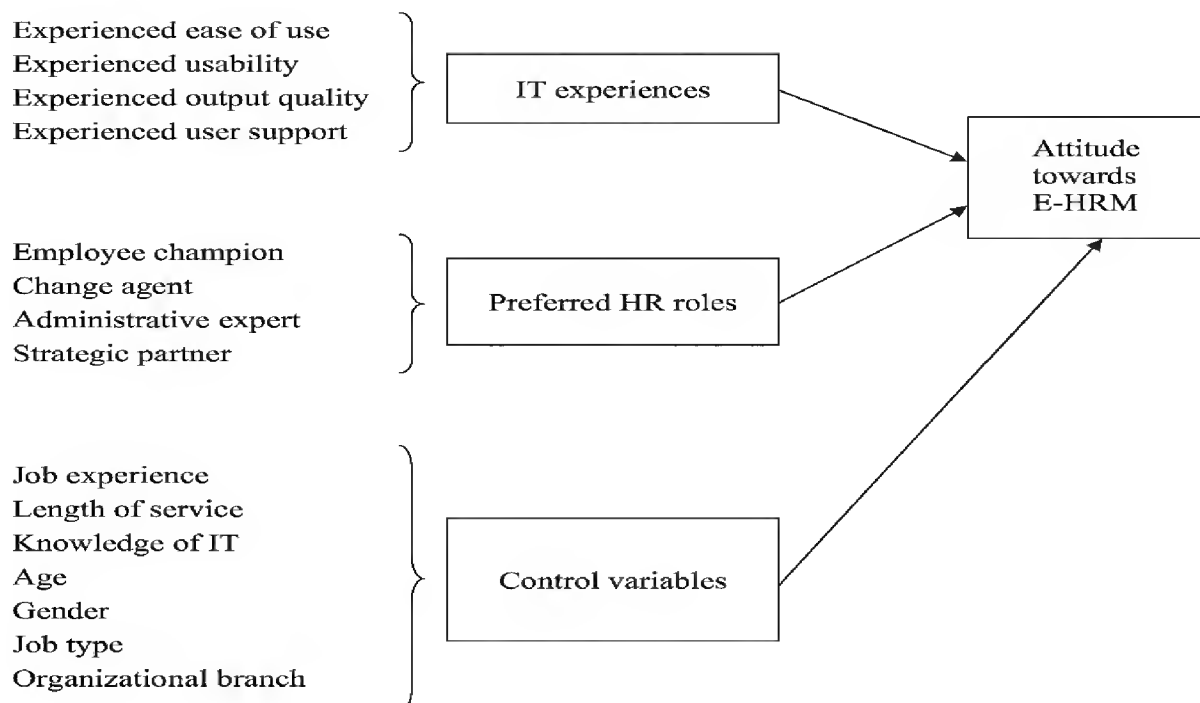


Figure 3

Research framework on attitude towards E-HRM

Implications of e-HRM

Table 1

HRM Practices	Implications of e-HRM
Analysis and design of work	Employees in geographically dispersed locations can work together in virtual teams using video, e-mail and the Internet.
Recruiting	Post job openings online, candidates can apply for jobs online.
Selection	Online simulations, including tests, videos and e-mail can measure candidates abilities to deal with real-life business challenges.
Training	Online learning can bring training to employees anywhere, anytime
Compensation and Benefits	Employees can review salary and bonus details and seek information about and enroll in benefit plans

Source: Raymond Noe, et al., op.cit., p.52

The various e-HRM activities include

- **E-Job Design and E-Job Analysis:** In a dejobbing environment, alternative work schedules, flexi work ,broad job banding, employee empowerment and multi skilling, HRM managers job is to identify and match employees skills and companies requirements. E-HRM plays a vital role in such dejobbed environment.
- **E-HRP:** Computer programmes are extensively developed and used for the purpose of planning HRM requirements based on data and information. Recent trends are outsourcing and contingencies clause.
- **E-Recruitment:** Alternatively called online recruiting, e recruitment is being widely used these days. Surveys show that 70 and 90 percent of large firms now use e-Recruiting systems, and it is anticipated that over 95 percent of organizations plan to use them in the near future. Cisco systems recruit employees only through e-Recruiting. e-Recruiting offers several benefits to the firms practicing it. Facility to apply online, wide reach often cuttings across national borders, reduced cost, decreased cycle time and reduced burdensome administrative processes are some of the benefits of e-Recruiting. The most common practices in e-Recruitment are (a) adding recruitment to exiting organizational web sites, (b)using special recruitment web sites (c) developing interactive tools for processing applications, and (d) using software for online screening of applications.¹⁶
- **E-Selection:** The purposes of e-selection are mainly three (a) achieving cost reduction, (b) maximum utilization of human capital, and (c) sustainability. The second objective of e-selection is to achieve maximum utilization of human capital. This is being achieved through high retention rates, increased percentage of candidates who meet employment requirement and improved productivity after the new hires. Sustainability is the last objective of e-selection. Sustainability refers to the organizations ability and willingness to maintain the e-enabled system and also progressively evolve the system to satisfy changing requirements. Sustainability is necessary to ensure that the business continues to reap ongoing benefits from e-enabled systems.
- **E-T&D:** It provides a complete scalable and open infrastructure that allows organizations to manage, deliver and track employee training participation in online or classroom based environments it aims to ensure that

HRMM provides the right resources, competent and experienced trainer and consolidate training initiatives scalable cost effectiveness basis, apart from measuring training effectiveness.

- **E-Payroll:** It takes care of employee salary payment. E payroll model automatically collected data regarding employee attendance and work regard for generating paychecks and tax reports. It able to crosses simultaneously for data entry to fully recognized results and multiple employee groups.
- **E_HRM Records:** HRM records are created maintained and updated with the help of computers easily and rated fast way. E-Performance Mangement: the use of technology in performance management tends to increase productivity, enhance competetiveness and motivate employees tHRMough
 - Facilitating measurement of individuals performance via computer monitoring activities
 - Facilitates the process of writing reviews or generating performance feedback.
- **E-Learning:** It refers to the use of Internet or an organizational Intranet to conduct training online. It has become increasingly popular because of large number of employees, who need training
- **E-Compensation:** It represents a web-enabled approach to an array of compensation tools that enable an organization to gather, store, manipulate, analyse, utilize and distribute compensation data and information

REFERENCES

1. Hal G. Gueutal and dianna L.stone, The Brave New world of e-HR, Wiley India, 2005, p.54).
2. Raymond A. Noe, Fundamentals of Human Resource Management, TMH, 2007, P.52
3. The Cedar Crestone 2005 workforce technologies and service delivery approaches survey, 8th Annual Edition.
4. Stanton, J. M., & Coovert, M. D. (2004). Turbulent waters: The intersection of information technology and human resources. *Human Resource Management*, 43(2), 121–125.
5. Anderson, N. (2003). Applicant and recruiter reactions to new technology in selection: A critical review and agenda for future research. *International Journal of Selection and Assessment*, 11(2/3), 121–136.
6. Lengnick-Hall, M. L., & Moritz, S. (2003). The impact of e-HR on the human resource management function. *Journal of Labor Research*, 24(3), 365–379.
7. Lepak, D. P., & Snell, S. A. (1998). Virtual HR: Strategic human resource management in the 21st century. *Human Resource Management Review*, 8 (3), 215–234.
8. Ruël, H. J. M., Bondarouk, T., & Looise, J. C. (2004). E-HRM: Innovation or irritation. An explorative empirical study in five large companies on web-based HRM. *Management Review*, 15(3), 364–381.
9. Huang, J. -H., Yang, C., Jin, B. -H., & Chiu, H. (2004). Measuring satisfaction with business-to-employee systems. *Computers in Human Behavior*, 20(1), 17–35.
10. Lepak, D.P. and Snell, S.A. (1998), “Virtual HR: strategic human resource management in the 21st century”, *Human Resource Management Review*, Vol. 8 No. 3, pp. 215-34.

11. Wright, P.M. and Dyer, L. (2000), "People in e-business: new challenges, new solutions", working paper 00-11, Center for Advanced Human Resource Studies, Cornell University, Ithaca, NY.
12. Brockbank, W. (1997), "HR's future on the way to a presence", *Human Resource Management*, Vol. 36 No. 1, pp. 65-70.
13. Lepak, D.P. and Snell, S.A. (1998), "Virtual HR: strategic human resource management in the 21st century", *Human Resource Management Review*, Vol. 8 No. 3, pp. 215-34.
14. Rue"l, H.J.M., Looise, J.C. and Bondarouk, T. (2002), "E-HRM: een verschijnsel nader in kaart gebracht. De ontwikkeling van een model voor praktijk en onderzoek (e-HRM: a phenomenon observed more closely: developing a model for practice and research)", *Tijdschrift voor HRM [Journal of HRM]*, Winter.
15. Stanton, J.M. and Coover, M.D. (2004), "Turbulent waters: the intersection of information technology and human resources", *Human Resource Management*, Vol. 43 No. 2, pp. 121-6.).
16. Gardner, S. D., Lepak, D. P., & Bartol, K. M. (2003). Virtual HR: The impact of information technology on the human resource professional. *Journal of Vocational Behavior*, 63(2), 159–179.
17. Hal G. Gueutal and dianna L.stone, op.cit., p.22
18. Hal G.Gueutal and Dianna L.Stone, op.cit., p.167.

